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## PRESENT CONDITIONS IN K'AI-FENG

A former employee of the Honen Department of Reconstruction, who escaped from Communist-held K'ai-feng, gives the following report on the situation

Immediately after the Communists occupied K'ai-feng on 24 November, they established a K'si-feng People's Demogratic Municipal Government with Wu Chih-pu, former chief of Chih-pu Heien in east Honan, as mayor. Other officials are: Hsu Man-ch'ing, former principal of the provincial K'ai-feng Middle school, as Director of Education; Enc Hai-chang, Chief of the K'ai-feng China Times Association and collaborator during K'ai-feng's previous defeat, as Deputy Director of Education, and Chi Wen-fu, Honan University professor and collaborator during the city's previous defeat, as Vice-president of Chung-yuan University.

Public functionaries and teachers have been told they will each receive 1,000 yuan in Communist notes and one bag of flour for services rendered. Also widely propagandized is the "Three Holdover Policy" under which the position, salary, and place of employment of individuals remain the same oven after GUP occupation of an area. In spite of this, many are still scheming to escape from K'ai-fung. Coercion is used to send former DC public officials back to their posts. Although professing to send families of INT officials to the peaceful rear areas, the Reds are actually sending them to Ham-ten in Homen. Terror reigns among the populace, and in recent days many have disappeared without a trace.

Economically, there is much chaos. The people are forbidden the use of fapi, gold year notes, and silver. They are compelled to use Communist curremay. Trade companies and price controls have been instituted. Most of the shope are closed. Most merchants and peddlers have left K'al-fong for the south.

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